91

(3)

FILED
APR 17 2008
OFFICE OF THE CLERK
SUPREME COURT, U.S.

No. 07-1070

IN THE

Supreme Court of the United States

ORMCO CORPORATION,
Petitioner,

v.

ALIGN TECHNOLOGY, INC.,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

REPLY BRIEF FOR ORMCO CORPORATION

DAVID L. DEBRUIN
CHARLES J. CRUEGER
RICHARD H. MARSCHALL
MICHAEL, BEST & FRIEDRICH, LLP
100 East Wisconsin Avenue, Suite 3300
Milwaukee, WI 53202-4108
(414) 271-6560

CARTER G. PHILLIPS
Counsel of Record
SIDLEY AUSTIN LLP
1501 K Street, NW
Washington, DC 20005
(202) 736-8270

Attorneys for Petitioner Ormco Corporation

WILSON-EPES PRINTING CO., INC. – (202) 789-0096 – WASHINGTON, D. C. 20002

TABLE OF CONTENTS

	Page
TABLE OF AUTHORITIES	ii
A. There is a direct conflict between the Federal Circuit and this Court that must be resolved	2
B. Respondent cannot obscure the conflict by mischaracterizing Ormco's arguments	7
C. It is undisputed that a conflict over a fundamental and recurring question of claim construction methodology exists within the Federal Circuit that is implicated by the decision below	8
CONCLUSION	12

TABLE OF AUTHORITIES

CASES — Page

Altoona Publix Theatres v. Am. Tri-Ergon Corp., 294 U.S. 477 (1935) 2, 6

Graver Tank & Mfg. Co. v. Linde Air Products Co., 339 U.S. 605 (1950) 6

Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995) (en banc), *aff'd*, 517 U.S. 370 (1996) 6

Markman v. Westview Instruments, Inc., 517 U.S. 370 (1996) 7

Smith v. Snow, 294 U.S. 1 (1935) 3

Ventana Medical Sys. v. Biogenex Labs., 473 F.3d 1173 (Fed. Cir. 2006) 4, 9, 10, 11

Warner-Jenkinson Co. v. Hilton Davis Chem. Co., 520 U.S. 17 (1997) 6

FEDERAL STATUTES

35 U.S.C. § 112 .....2, 3, 4, 12

IN THE

Supreme Court of the United States

No. 07-1070

ORMCO CORPORATION,
Petitioner,

v.

ALIGN TECHNOLOGY, INC.,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

REPLY BRIEF FOR ORMCO CORPORATION

Respondent's opposition fails to rebut the reasons that justify review of the question Ormco presents and actually highlights why review is warranted. The question is not, as respondent suggests, whether some claim construction below was correct, because no court has ever construed the claim language. The Federal Circuit's published and deeply divided decision defined the patented inventions without regard to the claims and solely by the specification and an ancestral prosecution history, an erroneous methodology that squarely conflicts with this Court's precedents holding that the claims of the patent define the invention. Recognizing that conflict, respondent surmises that the Federal Circuit must

have considered the claim language, even though it never discussed it. Yet respondent is unable to point to a single claim term construed in the majority opinion and never even mentions the dissenting opinion which showed conclusively that the majority defined the patented invention without regard to the text of any claim. The majority's decision is, as the dissent put it, "a construction of the invention that is reached *despite* that [claim] language. App. 33a. It is the Federal Circuit's latest and boldest imprimatur of an improper atextual methodology that invites courts to do just what the district court, at respondent's urging, did here: define patented inventions without resort to the claim language. Left unreviewed, the decision furthers the uncertainty, unpredictability, and wasteful litigation that already flows from the Federal Circuit's conflicting methodologies on this issue of national importance. Only this Court can remedy this intolerable situation.

A. There is a direct conflict between the Federal Circuit and this Court that must be resolved.

Respondent cannot dispute that defining the patented invention without regard to the claims squarely conflicts both with 35 U.S.C. § 112 and this Court's precedents. *See e.g.*, *Altoona Publix Theatres v. Am. Tri-Ergon Corp.*, 294 U.S. 477, 487 (1935) ("Under the statute, it is the claims of the patent which define the invention."). To avoid the obvious methodological defect in the majority's opinion, respondent wishes the problem away by ignoring the dissent and recasting the majority decision as one in which the court actually construed the text of the claims to define the patented invention. *See e.g.* Opp. Br. 12, 15, 27-29. Notably, respondent points to no example where the

majority considers the meaning of any claim term. Further, respondent cannot—and thus does not—dispute that the majority ignored over half of the 92 asserted claims. Respondent disregards the claim language and never explains how the majority concluded that any *claim language* actually means automatic determination of the finish tooth positions without operator involvement.

Indeed, respondent ignores the majority's clear statement that it defined the patented invention by the specification, not the claims: *"[t]he specification* thus provides clear indication that *the invention* is in the automatic determination of tooth positions." App. 10a (emphasis added). Defining "the invention" by the specification, not the patent claims, directly conflicts with § 112 and this Court's precedent. *Smith v. Snow*, 294 U.S. 1, 11 (1935) ("[T]he claims of the patent, not it specifications, measure the invention."). The question Ormco presents does not require this Court to undertake a detailed analysis of a specification or file history to determine the "correct" claim constructions; it only requires that this Court resolve a deep-seeded and outcome dispositive methodological conflict over whether a court can properly determine an inventor's rights under a patent without regard to the text of the patent's claims.

Respondent tries to distract this Court from the majority's failure to construe the claims by asserting that the majority "certainly examined and interpreted the individual asserted claims," because it reversed the summary judgment decision on claims 37-40, 45, and 69 of the '444 patent. Opp. Br. 15. That decision does not reflect a claim construction (indeed, the majority never says what these claims mean), but merely follows from the respondent's concession

below that these six claims "on their face stop short of any aspect of the essence of the invention," and thus were "the only claims that could survive this appeal." App. 78a-79a. Given this, the majority's treatment of these few claims does not make up for its utter failure to do business with the claim language in the remaining 86 claims.

Also without foundation is respondent's claim that the Federal Circuit "affirmed only as to the claims whose language 'linked' them to the inventors' disclaiming statements." Opp. Br. 11. First, the majority affirmed as to over half of the asserted claims without any mention of claim language—there was no "linkage" between the ignored claims and the inventor's statements. Moreover, the majority never "linked" any claim language to the specification or the claim language at issue in the ancestor patent file history. The majority held the '562 file history relevant simply because "the specifications . . . have the same content" (App. 11a), even though the claims are very different. A patent specification, however, can form the basis for many different patentable inventions. Such is the case here: the lengthy specification disclosed new systems of orthodontic treatment and many different patentable inventions. That is why, as the dissent pointed out (App. 35a), § 112 ¶ 2, makes the claim language the relevant "subject matter" to compare before a file history is deemed relevant. *Ventana Medical Sys. v. Biogenex Labs.*, 473 F.3d 1173, 1182 (Fed. Cir. 2006) (parent prosecution history generally irrelevant "when the claim term in the descendant patent uses different language").

Respondent also never addresses or refutes the dissent's arguments demonstrating that the majority

defined the patented invention by "a limitation that the majority has amalgamated from the specification of one of the patents in suit without reference to the specific language of *any* claim of *any* of the patents." App. 30a (emphasis in original). Respondent asserts that by pointing to language from some claims *at the end of* its decision, the majority "thus construed the features of all of this language as describing an automated process." Opp. Br. 28-29. This ignores that by that point the majority had already defined the patented invention without any mention of the claims. Respondent has no answer to the dissent's observation that "[n]owhere, however, does the majority tell us *what* language is used in *which* claims to describe that practice, or why such language is in need of interpretation." App. 28a. As the dissent explained: "after examining the specification of one of the patents in suit (but not its prosecution history), and the prosecution history of a patent which is not in suit, [the majority] backs into a form of claim construction by asserting that all of the claims address themselves to the practice of determining finish tooth positions." App. 28a. Concluding what "the invention" is from the specification and a prosecution history and then pouring that conclusion into the claims regardless of their language is not claim construction. It is the fundamental methodological difference between the majority, which extends the atextual approach endorsed by some Federal Circuit opinions, and that of the dissent, which follows the precedents of this Court and of other Federal Circuit opinions, that warrants review by this Court.

In the end respondent's argument boils down to "the law does not permit Ormco to argue that it was entitled to a detailed, limitation-by-limitation construction of each of the 92 claims it asserted against

Align" (Opp. Br. 15)—an argument this Court has squarely rejected: "*[e]ach element* contained in a patent claim *is deemed material* to defining the scope of the patented invention." *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 29 (1997) (emphasis added); *see also Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605, 607 (1950) (to determine infringement, "resort must be had in the first instance to the words of the claim"). Each claim must be separately considered as defining an invention independent of the other claims. *Altoona Publix Theatres*, 294 U.S. at 487. In this case the majority ignored most of the claims and never construed any of the words in any claim.

Contrary to respondent's assertion, the analogy between statutory construction and claim construction has been recognized: "The more appropriate analogy for interpreting patent claims is the statutory interpretation analogy." *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 987 (Fed. Cir. 1995) (en banc), *aff'd*, 517 U.S. 370 (1996). Moreover, the logical link between them is inescapable. Both exercises begin with language that defines the right. When there are ambiguities in that language, then courts turn to other aids in construction—structure of the statute, purpose and legislative history on the one hand and specifications and claims history on the other. But what is clear is that those aids cannot "amend" the actual language and the analysis always begins by reference to the text. The Federal Circuit majority was not faithful to that methodology, which provides an additional reason why certiorari should be granted.

B. Respondent cannot obscure the conflict by mischaracterizing Ormco's arguments.

Respondent attempts to recast Ormco's argument as the "patent claims ought *not* be read in light of the specification," and then argues that "[t]he law simply provides no traction for Ormco's argument that it was entitled to a claim interpretation uninformed by the lower court's review of the patents' common specification." Opp. Br. 1, 16. That has never been Ormco's argument. As just explained, claim construction does not occur in a vacuum and the specification often is critical to claim construction. Ormco's position was clearly stated in the Petition at 11:

> The Court should . . . make clear that claim construction can never be *divorced* from the language of the claims. The claim language always should be the *starting point*, and often the end point of the inquiry, but it should *never be an afterthought.*

(emphasis added).

Ormco's complaint is likewise not the absence of a separate claim construction hearing, but the lack of any determination of what the words in the claim mean. *Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 374 (1996) ("Victory in an infringement suit requires a finding that the patent claim 'covers the alleged infringer's product or process,' which in turn necessitates a determination of 'what the words in the claim mean.'"). Respondent does not deny that it moved for summary judgment without identifying any claim language that limited the claims to exclude human involvement or that it pressed the district court categorically not to review the claims at all because "the very nature of [the] invention" was

"perfectly clear in the specification and the cited file histories." App. 80a; Pet. at 4-5. The district court explicitly stated that it was not construing any claim terms, a point on which both the majority and the dissent agreed.[1] App. 18a, 25a. As a result, as noted by the dissent, the record on appeal was insufficient to construe the claims in the first instance on appeal. App. 25a-27a, 32a & n.3. Here, the substantive error—the failure to construe the text of the claims—is evident because Ormco had no opportunity to present evidence and argument about the meaning of identified claim terms in light of the specification and any prosecution history related to those terms.[2]

C. It is undisputed that a conflict over a fundamental and recurring question of claim construction methodology exists within the Federal Circuit that is implicated by the decision below.

Respondent does not dispute that defining the scope of the patented invention is an issue central to

---

[1] Even now, respondent implies that the *district court* construed the claims, arguing it "makes no sense to require the district court to conduct yet another inquiry into the claims' meaning . . . when the Federal Circuit has already affirmed the district court's original claim construction." Opp. Br. 29. But like most of respondent's arguments, that is pure revisionism. The district court unquestionably did not construe any claims.

[2] Respondent misleadingly asserts that Ormco "conceded" the '562 prosecution history's relevance. Opp. Br. 10. Ormco contended that the '562 prosecution history is "unrelated to *any* claim limitations found in the asserted claims of the '444 patent or in independent claim 1 of the '861 patent [that is, nearly every asserted claim in this case]." Bl. Br. 44. As to the few remaining claims, Ormco contended the '562 prosecution history "*may* have some bearing" but was misapplied, "requiring remand with instructions." Bl. Br. 47.

every patent and to every patent case and that the patent laws reflect a policy decision that intellectual property protection through patent rights can have a strong positive effect on technological change and economic growth. Nor does respondent dispute that a consistent, proper methodology for defining the patented invention is essential to implement that national policy decision or that the Federal Circuit regularly employs inconsistent claim construction methodologies and the "law" as applied varies by panel. Ormco's Petition (at 18-23) set forth in some detail the inconsistent claim construction methodologies employed by different Federal Circuit panels, some properly starting and staying anchored to the text of the claims, others following the atextual approach employed by the majority in this case. Scholarly studies document this "sharp division" and the "increasingly polarized" environment where outcome has become panel and judge dependent. Despite high hopes within the patent bar for some kind of clarification, the en banc decision in *Phillips* failed to resolve the conflict. Respondent takes issue with none of these points.

Respondent also does not deny that the Federal Circuit's erroneous and deeply divided decision here is precedential and that the majority defined the patented inventions in the first instance on appeal since the district court found it unnecessary to construe the claims. Respondent only disputes Ormco's argument that the majority opinion here is the dissent in *Ventana Med. Systems v. Biogenex Laboratories*, 473 F.3d 1173 (Fed. Cir. 2006), arguing that the majority's decision is actually consistent with *Ventana*. Opp. Br. 19-22, 28. Respondent is wrong.

In *Ventana*, the majority started with the claims, identified what language ("dispensing") in which claims was at issue, and anchored its analysis of the specification and prosecution history to the interpretation of the specific claim terms at issue. 473 F.3d at 1180-84. In stark contrast here, the Federal Circuit did not start with the claims; instead, it looked to the specification and the prosecution history of a patent not in suit to define the patented invention, and never identified what language in which claims it purported to construe.

In *Ventana*, the court held that "prosecution disclaimer generally does not apply when the claim term in the descendant patent uses different claim language." 473 F.3d at 1182. Here, the Federal Circuit held that statements made during prosecution of a parent patent were relevant as long as the patents shared a common specification: because "the specifications of the prior '562 patent . . . and all the presently litigated patents, have the same content," "the prosecution history of the claims . . . which led to the '562 patent, are relevant in construing the claims of the [patents-in-suit]." App. 11a.

Finally, in *Ventana*, the court categorically rejected the defendant's argument that the specification, when read in its entirety, would lead to the "inescapable conclusion" that the heart of the invention involved "direct dispensing," and that the specification implicitly defined the term "dispensing" to mean "direct dispensing." 473 F.3d at 1181. Instead, the *Ventana dissent* argued that "the overall invention" or "essence of the invention" could be discerned from the patent's specification. *Id.* at 1186. The Federal Circuit in this case, by contrast, "implicitly accepted" respondent's argument "that an exami-

nation of the specification of the patents in suit and the prosecution history of an antecedent patent permits a court to find that the heart of Ormco's invention is the practice of automatically determining finish tooth positions and to compare the accused product to that finding, rather than to the claims of the governing patents." App. 25a. Respondent has no answer to the dissent's analysis demonstrating that had the majority followed *Ventana* it would have reached a different result. App. 30a, 36a. Plainly, the decision in this case conflicts with the *Ventana* decision, creating directly conflicting standards that can only bewilder both litigants and district courts.

In opposing Ormco's petition, respondent does exactly what the Federal Circuit did here—define the invention not by the varied claims but solely by reference to select excerpts from the specification and prosecution history. Respondent's opposition ignores the claims, starts with the specification, looks at the prosecution history of a patent not at issue, and concludes: "These statements [in the specification and prosecution history] leave no doubt that the applicants defined Ormco's claimed inventions as excluding manual or human-interactive . . . design of orthodontic appliances." Opp. Br. 8. Of course, this analysis gives no meaning to the claim language that expressly requires "an *operator* interacting with a computer . . . altering the graphic representation to arrange a plurality of the teeth in relation to each other in accordance with the prescription." 63a (emphasis added).

Review of the issue in this case does not require the Court to wade through a lengthy specification and assorted file histories to choose between competing claim constructions. The statements from the speci-

fication and prosecution history cited by respondent have no relevance to the patented inventions if not related to the claim text. As the dissent, herself a district judge, recognized, the majority's atextual claim construction methodology offers district courts an improper short-cut to the often "daunting task" of claim construction and squarely conflicts with § 112 and this Court's precedents. Review of this important and recurring issue by the Court is necessary to halt the growing polarization on this issue at the Federal Circuit and provide needed guidance to the district courts whose job it is to construe the claims in the first instance.

CONCLUSION

For the foregoing reasons and those stated in the Petition, certiorari should be granted.

Respectfully submitted,

DAVID L. DEBRUIN
CHARLES J. CRUEGER
RICHARD H. MARSCHALL
MICHAEL, BEST & FRIEDRICH, LLP
100 East Wisconsin Avenue, Suite 3300
Milwaukee, WI 53202-4108
(414) 271-6560

Attorneys for Petitioner Ormco Corporation

CARTER G. PHILLIPS
Counsel of Record
SIDLEY AUSTIN LLP
1501 K Street, NW
Washington, DC 20005
(202) 736-8270